

VZCZCXRO8947
RR RUEH DU
DE RUEHSA #4083/01 3331446
ZNY CCCCC ZZH
R 291446Z NOV 07
FM AMEMBASSY PRETORIA
TO RUEHC/SECSTATE WASHDC 2835
INFO RUEHTN/AMCONSUL CAPE TOWN 5112
RUEH DU/AMCONSUL DURBAN 9402
RUEHSA/AMCONSUL JOHANNESBURG 7769
RUEHUB/USINT HAVANA 0019

C O N F I D E N T I A L SECTION 01 OF 02 PRETORIA 004083

SIPDIS

SIPDIS

E.O. 12958: DECL: 11/26/2016
TAGS: [ETRD](#) [ETTC](#) [PREL](#) [CU](#) [SF](#)
SUBJECT: SOUTH AFRICA RESPONSE TO CUBA:COUNTRY-BY-COUNTRY
REVIEW REQUEST

REF: A. SECSTATE 158768

[1](#)B. 05 PRETORIA 004697
[1](#)C. 07 PRETORIA 005152
[1](#)D. 07 PRETORIA 002886

Classified By: Ambassador Bost for reasons 1.4(b) and (d)

[1](#)1. (C) Ref A requests post's assistance in obtaining updated information necessary to provide the President with an assessment of South Africa's policy toward Cuba for use in assessing whether to suspend Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act.

[1](#)2. (C) South Africa's relations with Cuba continue to be warm. The South African Government (SAG) policy towards Cuba is not based on advancing democracy, human rights and fundamental freedoms in Cuba but rather is predicated on close cooperation between the Cuban government and the African National Congress (ANC) during the struggle against apartheid. The SAG regards Cuba as one of its stalwart anti-apartheid supporters. As noted in Ref B, without Cuban financial and military assistance in the 1980's, the ANC believes South Africa's liberation from apartheid would have taken longer and caused the loss of more lives. As reported in Ref C, Cuban names will be inscribed on the Wall of Remembrance at the new Freedom Park being built in Pretoria because of the Cuban role in "combating imperialist forces," particularly in the Angolan war, and the "open support Cuba gave South Africa in the difficult time of apartheid."

[1](#)3. (C) South Africa has two formal binational mechanisms with Cuba: (1) a Deputy Foreign Minister-level meeting, called a Joint Consultative Mechanism (JCM), and (2) a Foreign Minister -level Joint Binational Commission (JBC) for Economic, Scientific, Technical and Commercial Cooperation. The JCM last met in Cuba in July 2007. The next JCM is scheduled for the second quarter of 2008 in Havana. The JBC recently met in Cape Town from November 5 to 9. The next JBC meeting is scheduled for the second quarter of 2009, also in Cuba. There are a range of exchange programs between South Africa and Cuba involving 18 departments that include programs that have brought Cuban doctors and teachers to South Africa, scholarships for black South Africans to study in Cuba, and agreements in the fields of sport and recreation, air service, merchant shipping, scientific and technological cooperation, labor and social development, and water resources management. As detailed in Ref C and D, the program to send Cuban doctors to South Africa to work in public hospitals is winding down because too many of the doctors chose to remain in South Africa instead of returning to Cuba. Training South African medical students in Cuba is also coming to a halt as it is no longer cost effective.

[1](#)4. (C) At the November 5-9 Joint Bilateral Commission

meeting, the countries agreed to conduct negotiations of a text of Agreements on Extradition and Mutual Legal Assistance in Criminal Matters in early 2008, finalize the draft Co-operation Agreement on Environment Affairs "as soon as possible", and ratify by Cuba the recently signed Intergovernmental Agreement on the Employment of Cuban Technical Advisors for public works. The countries also recently signed a Memorandum of Understanding (MOU) in energy saving, with a process to establish a task team in the field of mining and energy. The countries also concluded negotiations on the Agreement for the Promotion and Reciprocal Protection of Investment. Negotiations on a draft MOU to train 18,000 South Africans in all areas of transport also continue. In addition to cooperative agreements, Cuba and South Africa signed a Trade Agreement in 1997 and continue to negotiate a Compensated Trade Agreement proposed by Cuba in 2006.

¶5. (C) The SAG does not agree with the USG on policy toward Cuba and has consistently voted against USG-sponsored or supported human rights resolutions in international fora. According to press reports following the recent Joint Bilateral Commission, Foreign Affairs Minister Nkosazana Dlamini Zuma stated that while South Africa was cooperating well with Cuba in areas such as skills development and education, trade between the two countries was almost non-existent. She and South African Ambassador to Cuba Thenjiwe Mtintso were quoted as blaming the lack of trade on the difficulties created by the U.S. embargo. According to Dlamini Zuma, a task team has been created to look at the embargo obstacle.

¶5. (U) The following data confirms the insignificant economic relationship between Cuba and South Africa:

PRETORIA 00004083 002 OF 002

-- South African exports to Cuba totaled R3.5 million (500,000 USD) and R1.6 million (230,000 USD) in 2005 and 2006, respectively. Statistics for the first eight months of 2007 indicate that exports are up 34%, reaching R1.6 million (230,000 USD), which has helped to raise Cuba's rank among South Africa's export partners to 184 from 186. Exports to Cuba constituted a minuscule portion of South Africa's total exports and were mainly comprised of chemical products, machinery and clothing textiles.

-- South African imports from Cuba totaled R16.6 million (2.3 million USD) and R22.9 million (3.3 million USD) in 2005 and 2006, respectively. Figures for the first eight months of 2007 indicate a 16 percent decrease in imports by South Africa compared to the same period in 2006. Imports from Cuba comprised less than one percent of all South African imports and were dominated by chemical products (vaccines for human medicine), as well as foodstuffs, beverages, and tobacco products.

-- South African foreign direct investment in Cuba totaled 500,000 USD from 1990 through 1999. Direct investment in Cuba constitutes such a minor number that the South Africa Reserve Bank does not currently list Cuban investment as a disaggregate number.

¶6. (C) The Department of Trade and Industry (DTI) sent a delegation to Cuba in October 2006. The delegation's main purpose was to discuss payment of outstanding debts owed to South Africa by Cuba, especially approximately 30 million USD of South African export credit guarantees extended in the 1990s. According to one member of the delegation, Department of Trade and Industry official Cobs Pillay, the Export Credit Insurance Corporation of South Africa wanted to press Cuba by raising the debt issue in the Paris Club, but was overruled by DTI's political leadership in order to protect the bilateral relationship. Pillay told us that the economic relationship between the countries is of minor importance to

South Africa, with the few remaining ties reflecting little more than the close political connection created during the apartheid struggle in South Africa. Pillay also commented that trade between the countries is not expected to increase as Cuba continues to press for trade under a barter system, while South Africa will only trade using a monetary basis. DTI set up a trade pavilion recently, but against its wishes and only due to the Department of Foreign Affairs view that the pavilion was good politics. (Ref C). Another trade delegation was scheduled to visit Cuba in November 2007, but the DTI delegation postponed the trip due to a schedule conflict.

¶7. (C) Comment. In post's view, a waiver of the Title III right to bring an action against entities and nationals of South Africa is not necessary to US national interests nor will it expedite a transition to democracy in Cuba. The SAG has not cooperated with the USG on Cuba policy and is not likely to do so. As reported in Ref C, South Africa is unlikely to criticize or even question Cuba's repressive political environment, because of the ANC-Cuban history and despite the obvious contradiction with South Africa's espoused democratic values. The SAG is unlikely to be influenced by the USG renewing or withholding a waiver. End Comment.
BOST